

## **103 KAR 27:120. Photographers, photo finishers and x-ray labs.**

RELATES TO: KRS 139.010

STATUTORY AUTHORITY: KRS 131.130(1)

NECESSITY, FUNCTION, AND CONFORMITY: To interpret the sales and use tax law as it applies to photographers, photo finishers and x-ray laboratories.

Section 1. Photographers. (1) Photographers are primarily engaged in the business of rendering a professional service in the taking, development and printing of an original photograph. The photographer is thus the consumer of the tangible personal property which he uses in the performance of this professional service and the tax will apply at the time of the sale of such material to him.

(2) In making additional prints, however, the photographer is producing and selling tangible personal property and the tax applies to the selling price of the prints. The tax does not apply to sales of materials to the photographer which become an ingredient or component part of the prints to be sold.

Section 2. Photo Finishers. (1) The tax applies to charges for printing pictures or making enlargements from negatives furnished by the customer but not to charges for developing the negatives if such charges are separately stated. Tax does not apply to charges for tinting or coloring pictures furnished to the finisher by the customer.

(2) Tax applies to sales to photo finishers of all tangible personal property used by them in developing negatives, finishing pictures, and coloring or tinting pictures furnished by customers, except sensitized paper upon which the prints are made, and frames and mounts sold along with the finished pictures.

Section 3. X-Ray Laboratories. (1) Producers of x-ray film for the purpose of diagnosis are the consumers of materials and supplies used in the production thereof. Thus, the tax applies to the sale of such materials and supplies to laboratories producing x-ray film for the purpose of diagnosis.

(2) Whether the laboratory is a "lay laboratory" or is operated by a physician, surgeon, dentist, or hospital is immaterial. (SU-75-1; 1 Ky.R. 230; eff. 1-8-1975; TAm eff. 6-22-2016.)